

COMMITTEE ON GOVERNMENT REFORM
CONGRESSMAN TOM DAVIS, CHAIRMAN



NEWS RELEASE

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Davis Introduces D.C. Budget Autonomy Legislation

WASHINGTON, D.C. —Government Reform Committee Chairman Tom Davis (R-VA), along with Congresswoman Eleanor Holmes Norton (D-D.C.) and Ranking Member Henry Waxman (D-CA), introduced today H.R. 1629, the “District of Columbia Budget Autonomy Act of 2005,” bipartisan legislation that would expedite congressional consideration of the District of Columbia’s local budget. Chairman Davis issued the following statement on the legislation:

“Current law requires Congress to approve the District’s local budget as part of its annual appropriations process. While Congress has a constitutional responsibility to ensure the financial well being of our nation’s capital, the unfortunate reality is that the city’s local budget can get tied up in political stalemates over congressional appropriations that rarely have anything to do with the District’s budget.

“More delays are virtually guaranteed now that the D.C. appropriations bill has been folded into other appropriations bills, drastically increasing the odds of national political disputes unrelated to the operations of the local government resulting in critical delays for city programs.

“The ‘District of Columbia Budget Autonomy Act of 2005’ introduced today would ensure the mayor and city council could begin spending new funds at the beginning of the fiscal year without waiting for Congress’s approval. The bill still provides for congressional oversight, however. Prior to enactment, Congress would have 30 days to review the budget; as long as the District submitted its budget thirty days in advance of the fiscal year, the budget would take effect on time. The federally funded portion of the city’s budget would continue to be approved through the current congressional appropriations process.

“Budget autonomy would be rescinded should the District trigger one of the ‘seven deadly sins’ that would require the reinstatement of the DC Financial Control Board. Those ‘seven deadly sins’ are: borrowing money from the Treasury; failing to provide sufficient funds to a debt service reserve fund; defaulting on loans, bonds or notes; failing to meet payroll; having a cash deficit at the end of any quarter; failing to make pension payments; and/or failing to make

payment under an interstate compact.

“Unlike other city governments, the District of Columbia cannot significantly reallocate funds to meet the city's changing needs. Instead, it takes an act of Congress. The District once needed to reallocate funds to support the movement of children from foster care to adoption. This funding transfer was delayed for months until a supplemental appropriations bill moved through Congress.

“The District should not be held hostage by political food fights in the appropriations process that cost the city money. It’s time to make sure the District can begin utilizing the next fiscal year’s funds when the fiscal year begins.”

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